

IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF TENNESSEE  
NASHVILLE DIVISION

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	CIVIL ACTION FILE NO.
	)	3:10-CV-00551
PLAINTIFF	)	Judge Haynes
	)	
v.	)	
	)	
AARON DONALD VALLETT AND	)	
A.D.VALLETT & CO, LLC,	)	
	)	
DEFENDANT	)	
	)	

FINAL ACCOUNTING

Henry E. Hildebrand, III, court-appointed Receiver over Aaron D. Vallett (“Vallett”), A.D. Vallett & Co., LLC (“ADVCo.”) and all businesses owned or controlled by either of them (the “Vallett Companies”), requests this Court approve this Accounting, and in support thereof would state as follows:

By order entered August 18, 2010, this Court appointed the undersigned as Receiver for the estates of Vallett, ADVCo., and the Vallett Companies. All of the assets held by Vallett, ADVCo. and the Vallett Companies constitute the Receivership Estate and the Receiver was directed to take custody, control and possession of the Receivership Estate and utilize it for the benefit of investors. This Accounting sets forth the assets and income that the Receiver took custody, control and possession of as part of the Receivership Estate and the fees, costs and expenses incurred by the Receivership Estate in maximizing the Receivership Estate for the benefit of the investors.

**ASSETS AND INCOME:**

A. Balances of Accounts initially received by Receiver: (These accounts were transferred to Receivership Bank Accounts. See Asset and Income Schedule A for an explanation of this item)	\$ 790,863.70
B. Increase in Accounts Prior to transfer to Receiver: (See Asset and Income Schedule B for an explanation of this item)	\$ 7,850.99
C. Dividends from Receivership Assets: (See Asset and Income Schedule C for an explanation of this item)	\$ 86.30
D. Commissions Received by Receiver: (See Asset and Income Schedule D for an explanation of this item)	\$ 799.50
E. Proceeds from sale/settlement of Receivership Assets (See Asset and Income Schedule E for an explanation of this item)	\$ 547,029.94
F. Proceeds from settlements of Receiver's Claims: (See Asset and Income Schedule F for an explanation of this item)	\$ 939,537.69
G. Interest on Receivership Bank Accounts/Refunds of Bank Charges (See Asset and Income Schedule G for an explanation of this item)	\$ <u>1,317.78</u>
<b>TOTAL ASSETS AND INCOME:</b>	<b>\$ 2,287,485.90</b>

**EXPENSES AND DISTRIBUTIONS:**

A. Bank wire fees, service charges and check fees: (See Expenses/Distributions Schedule A for an explanation of this item)	\$ 567.40
B. Salaries/Consulting Fees: (See Expenses/Distributions Schedule B for an explanation of this item)	\$ 29,778.28
C. Federal Payroll Taxes: (See Expenses/Distributions Schedule C for an explanation of this item)	\$ 6,387.72
D. Payments to IRS/US Treasury: (See Expenses/Distributions Schedule D for an explanation of this item)	\$ 2,306.22
E. Payments to TN Department of Revenue: (See Expenses/Distributions Schedule E for an explanation of this item)	\$ 451.00
F. Rent for office space during Receivership: (See Expenses/Distributions Schedule F for an explanation of this item)	\$ 9,752.00
G. Payments to John H. Heldreth & Associates: (See Expenses/Distributions Schedule G for an explanation of this item)	\$ 8,822.55
H. Attorneys' Fees and Expenses (Lassiter, Tidwell & Davis, PLLC):	\$ 220,656.21

(See Expenses/Distributions Schedule H for an explanation of this item)

I. CPA Fees (Lewis, Smith & Associates, P.C.): (See Expenses/Distributions Schedule I for an explanation of this item)	\$	35,842.88
J. Receiver's Fees and Expenses: (See Expenses/Distributions Schedule J for an explanation of this item)	\$	39,832.55
K. Expenses/Distributions relating to A.D. Vallett & Co. 401k Plan: (See Expenses/Distributions Schedule K for an explanation of this item)	\$	20,122.19
L. Payments to 401k Plans Covered by Chubb/Fidelity Bond: (See Expenses/Distributions Schedule L for an explanation of this item)	\$	833,237.69
M. Distributions to Investor Victims: (See Expenses/Distributions Schedule M for an explanation of this item)	\$	1,070,766.58
N. Payments to US Trustee for Bankruptcy Filing Fees: (See Expenses/Distributions Schedule N for an explanation of this item)	\$	1,950.00
O. Miscellaneous Expenses: (See Expenses/Distributions Schedule O for an explanation of this item)	\$	<u>7,012.63</u>
<b><u>TOTAL EXPENSES AND DISTRIBUTIONS:</u></b>	<b>\$</b>	<b>2,287,485.90</b>

<b>TOTAL ASSETS AND INCOME:</b>	<b>\$</b>	<b>2,287,485.90</b>
<b>LESS: TOTAL EXPENSES &amp; DISTRIBUTIONS:</b>	<b>\$</b>	<b><u>(2,287,485.90)</u></b>
<b>REMAINING RECEIVERSHIP ASSETS:</b>		<b><u><u>0.00<sup>1</sup></u></u></b>

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<sup>1</sup>See Exhibit B attached hereto for a list of assets that were initially part of the Receivership Estate but were foreclosed on, had no value, or deemed uncollectable by the Receiver. The Receiver has abandoned these assets.

WHEREFORE, the premises considered, the Receiver requests this Court enter the proposed order, attached hereto as “**Exhibit A**” approving this Accounting.

Respectfully submitted,

/s/ Henry E. Hildebrand, III  
Henry E. Hildebrand, III  
Court-Appointed Receiver for Debtor  
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/s/ John O. Belcher  
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*Counsel for the Receiver, Henry E. Hildebrand, III, Esq.*

#### CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 9<sup>th</sup> day of May, 2013, a true and exact copy of the foregoing has been served in the following manner:

Email by Electronic Case Noticing to:

Kristen Wilhelm, Madison G. Loomis, and William S. Murnaham, Securities & Exchange Commission, 950 E. Paces Ferry Rd., NE, Ste. 900, Atlanta, GA 30326-1382;  
Paul England, Stites & Harbison, 401 Commerce St., Ste 800, Nashville, TN 37219;  
Sam Poteet, Jr., and Fred C. Statum, III, Manier & Herod, 150 4th Ave. N., Ste 2200, Nashville, TN 37219;

And, by United States mail, postage prepaid to:

All parties listed on the attached Matrix.

/s/ John O. Belcher  
John O. Belcher